



Minutes from the Electronic Recording Council of Wisconsin Meeting February 3, 2010 Conference call at 2 p.m. Final

Attending

Craig Haskins – Knight-Barry Title, Inc.
Marvel Lemke – Taylor County Register of Deeds
Hal Karas – Whyte Hirschboeck Dudek
Cathy Williquette – Brown County Register of Deeds
Steve Hansen - Associated Banks (joined at 2:30)
Cindy Wisinski - Portage County Register of Deeds

Excused:

John LaFave – Milwaukee County Register of Deeds
Jim Pahl-Washa-Representing Department of Administration

Guests:

Mark Ladd, Representing PRIA
Rod Key, Representing Department of Transportation
Drew Kottke, Representing Department of Transportation

1. Call to order.

The conference call meeting was called to order at 2:08 p.m. by Chair Marvel Lemke.

2. Recognition of Public Attendees

Indicated above.

3. Approve Minutes from January 14, 2010

Motion by Cathy/seconded by Craig to approve the January 14, 2010 minutes as presented. No objections, motion passed.

4. Announcements that may relate to electronic recording

- Joshua Smith/Ingeo will be sharing an IRecord demo next Wednesday, February 17th. Marvel will share link with Council members, interested members may attend also.
- ERCWIS was nominated and has received the Friend of Land Records Award from the Wisconsin Land Information Association. Cathy will attend the Awards Luncheon and receive the award on behalf of ERCWIS. Marvel will forward Award Letter to Council.
- Council membership. Four Council members' terms expire on July 1, 2010. Those members have indicated they will not be seeking another term. The Council will be seeking members as follows: Two-Register of Deeds; One representative from the banking industry; and one representative from the Wisconsin State Bar Association. Marvel has been in contact with the Governor's office to request what protocol is required to insure replacements are named prior to July 1st.

5. Update on Transition Plan with DOA (Ron Hermes).

Ron explained to the Council the role of Mark Herman – he is not taking place of Amy. This will put us in a new category. The Council was fortunate to have a staff person, but this will not Mark's role. Mark Herman is an attorney and will provide legal assistance and provide rules interpretation. All other duties must be assumed by Council. We will need to develop a plan for receiving TSA and emails directly. There are no resources at DOA to support at the level we were receiving in the past. This Council would now be more in line as typical for other

councils. Mark will not be a regular participant on phone calls. The Council will need to learn how to do agenda postings and notification of the press corps and handling things on our own.

Marvel indicated Amy had forwarded the email distribution list for the press corps and had properly notified them of this meeting, as well as being posted at the Capitol. Marvel asked if the Council can still use the services of DOA staff who regularly post agendas at the Capitol which also had been done for this meeting. Ron indicated that was fine.

ERCWIS website can reside on DOA server. Ron spoke to DET (Division of Enterprise Technology) people and working on getting access, but may not yet be completed. Marvel indicated she also had contacted Shari Hillery, DET webmaster, and leaving a message to contact her when she returned from vacation.

Cathy asked if it is required to make a physical location available or just phone access? Ron answered – no, but will have Mark follow up, as long as we make phone call accessible to public. (Note: Mark has followed up and indicated we do need to provide a physical location with a speaker phone on our agendas.)

Marvel asked where the location of the physical files of the TSA were - Mark has received physical files and in storage in legal services. No plan yet as to housing.

6. Report on PRIA's Version 3 eRecording Schema (Mark Ladd)

Mark Ladd report implementation is now in the input gathering phase. Schema has been published and available and implementation experts are providing feedback. They may soon go to Version 3.1 due to feedback and work groups from mortgage industry. In reality, probably Version 3.1 will be version that vendors want to work with. PRIA Conference will be held March 3-5 in DC and Mark will be able to provide more feedback at that time.

Marvel explained it would be at that time, the Council will need Mark Herman's assistance to incorporate the changes adopted by PRIA into Admin Rule 70. Mark Ladd indicated he hoped to be able to say Version 3 is ready around June which will allow ample time for rule changes.

Hal questioned the timeframe for the Rule to be modified and if there would be a conflict with vendors using Version 3. Mark Ladd indicated vendors will most likely support Version 2 and 3 for some time in the future. The Council should not be too far out of sync with cycles of rules and implementation. Question to Mark Herman, can we write rule to embrace both standards. Mark Herman said yes and questioned how frequently will they change. Legislature general does not like auto updating standards. Mark Ladd shared a couple of states have self-updating rules. Version 2 has been in place for about four years now and anticipates Version 3 will be at least that stable.

Mark Herman asked what is the lead time between the update and when the rule needs to be in effect. Mark Ladd replied within a six to twelve month window, but there should be some flexibility. The Council should have the ability to update the Rule before old technology becomes obsolete.

[Steve Hansen joined call]

7. DOR Webservice of County and State real estate transfer return data (Jim Pahl-Washa)

Brown County was a pilot county with DOR for testing a new web-based method for filing eRETR's. On Monday, Brown County went live with the system. Basically staff enters the receipt number from eRETR into their document management indexing system and the data from eRETR is automatically pulled from DOR and populates the indexing fields (grantor, grantee, transfer fee/exemption, etc) in the county system. Once the ROD accepts the updates from DOR and hits "enter" receipt of eRETR is automatically sent back to DOR with an email notice sent to the submitter. There will be a demo at the March meeting of the Register of Deeds Association.

8. eRecording of Plats

Update on electronic signatures/stamps opinion from DOT legal counsel. Rod – Drew contacted attorney from Department of Regulation and Licensing. The DOT attorneys said it would be legal to eRecord plats per 137.15 which refers to legal recognition of electronic records, electronic signatures and electronic contracts. There was a concern

about seals, but it is their interpretation the statute says seals are part of the record, same is true of notaries, and therefore could be eRecorded. They are checking with DOT attorneys. Hal pointed out 137.19 which refers to notarization and acknowledgements.

Mark Ladd inquired if the Council is looking for a visual seal like TIFF or GIFF; or would an electronic PKI certificate without visual representation be acceptable. This is a rule making issue for Council for the future. Mark Ladd also asked if the documents would be scanned model 2 documents for now. Drew stated what they are preparing is closer to model 3. Rod indicated some regions are scanning, especially if from outside vendor work.

Cindy asked if the documents would be submitted through trusted submitters such as Ingeo or Simplifile. Rod stated they hoped to submit a PDF file, however, will do what we request. Marvel stated seventeen counties are now using trusted submitters. The trusted submitter Marvel spoke with indicated they currently accepted rendered images the size of 8½x11 or 8½x14, however would be willing to consider larger sizes if necessary. Cathy indicated they can accept large size in Brown in TIFF, however, not J-PEG.

Mark Ladd explained the difference between PDF original and TIFF. PDF is still an image based file, whereas a model 3 doc is natively electronic. If DOT goes through a non-vendor, it would be considered model 1 and Wisconsin is not supporting model 1 documents.

Drew indicated DOT is currently accepting construction plans only electronically now from consulting engineers. Only accept vector drawings.

Mark Ladd stated there are multiple PDF standards. Drew may be talking about "pdf-e" designed for large files like plats and plans. This is different from other PDF "flavors". Drew explained DOT is not using PDF-e or PDF-a. Cindy asked Mark Ladd if other states are eRecording plats, Mark Ladd stated Wisconsin is one of the first states working on this.

Marvel stated the Council needs to insure documents /signatures have not been tampered with in transit. Drew – intended to use PKI with engineers. Arrange Trusted Submitter ahead of time – but 137.06 repealed and put everything on hold. Told engineers to seal cover sheet and scan. Attach to other plans and send.

Craig suggested starting with CSMs at 8.5 x 14 and then move up. Marvel indicated Chapter 236 needs to be changed even to permit that.

[CH leaving call]

Drew asked if his earlier email in reference to 706.25(2) Validity of electronic documents had been discussed by the Council. Does 706.25(2)(a) – trump Chapter 236. Hal and Mark Ladd felt that 706.25(2) would act as an overlay of the statutes, thereby not requiring statutes to be amended.

Rod will send a sample TPP document to Cathy, who volunteered to work with Simplifile and Fidar to see whether the documents can be accepted.

The Council will need to look at business requirements to see if they will need to be modified. Must comply with 59.43(2m), but that doesn't apply to plats, so we may need another x ref. As well as payment options, if state department requires an invoice option.

9. Trusted Submitter Applications update/approval of applications received (Mark Herman)

Mark Herman received one new trusted submitter application for the Council's consideration, for PNC Bank NA. Reference survey was completed with all questions affirmative with the exception of question two, regarding Grantor and Grantee rejections. Motion by Cathy, second by Cindy to approve PNC Bank NA request. Motion carried.

10. Agenda items for next meeting, time and location

The next regular monthly meeting is scheduled for March 3rd at Inn on the Park, Madison. Additional agenda items, besides the typical items addressed will be as follows:

Update on Transition Plan with DOA
eRecording plats

Respectfully submitted,

Hal Karas, ERCWIS member